

ASSEMBLY BILL

No. 2208

Introduced by Assembly Member Perea

February 23, 2012

An act to amend Section 116326 of the Health and Safety Code, relating to drinking water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2208, as introduced, Perea. Community water systems: consolidation and merger.

Existing law requires the State Department of Public Health to administer programs to fund improvements and expansion of small community water systems using specified priorities. Existing law requires the department to encourage the consolidation of small community water systems that serve disadvantaged communities in instances that consolidation will help the affected agencies and the state meet specified goals. Existing law allows funding of studies regarding the feasibility of consolidating 2 or more community water systems, at least one of which is a small community water system that serves a disadvantaged community. Existing law requires the department to give funding priority to projects involving physical restructuring of 2 or more community water systems into a single, consolidated system when it is shown that the consolidation would further specified goals.

This bill would require the department to promote the consolidation and merger of small community water systems that serve disadvantaged communities, as specified. This bill would require the studies described above to include the feasibility of consolidating community water systems or merging a community water system with a city water system, as specified, unless the department determines consolidation or merger

is not feasible. This bill would also require the department to give priority to funding projects involving the physical restructuring and managerial consolidation of 2 or more community water systems or the merger of community water systems into a single, consolidated system when it is shown that the consolidation or merger would further specified goals.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 116326 of the Health and Safety Code
2 is amended to read:
3 116326. In administering programs to fund improvements and
4 expansions of small community water systems, the department
5 shall do all of the following:
6 (a) Give priority to funding projects in disadvantaged
7 communities.
8 (b) ~~Encourage~~*Promote* the consolidation *or merger* of small
9 community water systems that serve disadvantaged communities
10 in instances where consolidation *or merger* will help *at least one*
11 of the affected agencies and the state to meet all of the following
12 goals:
13 (1) Improvement in the quality of water delivered.
14 (2) Improvement in the reliability of water delivery.
15 (3) Reduction in the cost of drinking water for ratepayers.
16 (c) Pursuant to subdivision (b), ~~allow~~ *require that* funding for
17 feasibility studies performed prior to a construction project ~~to~~
18 include studies of the feasibility of consolidating two or more
19 community water systems; *or merging a community water system*
20 *with a city water system, when at least one of which is a of the*
21 *water systems is a small community water system that serves a*
22 disadvantaged community, *unless the department makes a written*
23 *determination that consolidation or merger is not feasible under*
24 *the circumstances.*
25 (d) In instances ~~where~~ *that* it is shown that small community
26 water system consolidation *or merger* will further the goals of
27 subdivision (b), give priority to funding construction projects that
28 involve the physical restructuring *and managerial consolidation*
29 of two or more community water systems *or merger one or more*

- 1 *community water systems*, at least one of which is a small
- 2 community water system that serves a disadvantaged community,
- 3 into a single, consolidated system.

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